

**HB 4. Long Range Building  
Kasten Amendment**

**HB4 violates an agreement reached in good faith between the State and industry govern how statewide network upgrade funds are used.**

The Senate passed language brokered in an agreement among the Governor (Budget Director **David Ewer**), the Department of Administration (CIO **Dick Clark**), the University System (Commissioner of Higher Education, **Sheila Stearns**), and **MTA**. That agreement provided

- full funding for the state's telecommunications request (\$7.8M), but
- added unambiguous sideboards which:
  - prohibit ITSD from using any dark fiber in its telecommunications network upgrades (\$6.7M); and,
  - allow the university system to acquire/use dark fiber for research-only.

**HB 4 throws out the agreement passed by the Senate HB830. This agreement was made in good faith, and all parties shook hands.**

HB 4 now allows the state once again to light dark fiber and to remove its traffic from private network providers. HB 4, as currently drafted:

- removes revenues from Montana's private network providers;
- **reduces long term investment** opportunities in Montana's telecom infrastructure; and
- removes assets from Montana's tax base, effectively creating a 10Gb (!) fiber backbone paid for by the Montana taxpayer in direct competition with the private sector (i.e., the Montana taxpayer).

Current "restrictions" in HB 4 are not effective. These restrictions were rejected in HB830. The "restrictions" in HB 4 still would allow all government—and any other "qualified user," as determined by ITSD—to remove traffic and investment revenue from private networks.

**Kasten Amendment:**

- Supports full funding (\$7.8M) for the network upgrade expansion
- Reinstates the Senate-passed agreement between the Governor's Office, the Department of Administration, the University System, and industry
- allows the state to expand its telecommunications network and the university system to build a high-speed research backbone
- prevents the state from building a redundant network which removes traffic from private network providers
- prevents the state from removing revenues (and investment) from private telecom networks

HOUSE BILL NO. 4

INTRODUCED BY T. CALLAHAN, G. HOLLENBAUGH

1  
2  
3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING MONEY FOR CAPITAL PROJECTS AND INFORMATION TECHNOLOGY CAPITAL  
5 PROJECTS FOR THE BIENNIUM ENDING JUNE 30, 2009; PROVIDING FOR OTHER MATTERS RELATING TO THE APPROPRIATIONS; PROVIDING  
6 FOR A TRANSFER OF FUNDS FROM THE STATE GENERAL FUND TO THE LONG-RANGE BUILDING PROGRAM ACCOUNT; PROVIDING FOR  
7 A TRANSFER OF FUNDS FROM THE STATE GENERAL FUND TO THE FISH, WILDLIFE, AND PARKS CAPITAL PROJECTS ACCOUNT; PROVIDING  
8 FOR A TRANSFER OF FUNDS FROM THE STATE GENERAL FUND TO THE LONG-RANGE INFORMATION TECHNOLOGY PROGRAM ACCOUNT;  
9 PROVIDING FOR THE DEVELOPMENT AND ACQUISITION OF NEW INFORMATION TECHNOLOGY SYSTEMS FOR THE DEPARTMENT OF PUBLIC  
10 HEALTH AND HUMAN SERVICES, THE DEPARTMENT OF ADMINISTRATION, AND THE JUDICIAL BRANCH; PROVIDING FOR THE  
11 REAPPROPRIATION OF LONG-RANGE INFORMATION TECHNOLOGY CAPITAL PROJECT FUNDS; REQUIRING APPROVAL OF PROJECT AND  
12 SECURITY PLANS FOR CERTAIN PROJECTS; REVISING CAPITAL PROJECTS AUTHORIZED FOR THE BIENNIUM ENDING JUNE 30, 2007;  
13 APPROPRIATING STATE GENERAL FUND MONEY FROM THE SALE OF THE MISSOULA ARMORY; APPROPRIATING MONEY FROM THE STATE  
14 GENERAL FUND FOR OPERATING EXPENSES ASSOCIATED WITH INFORMATION TECHNOLOGY PROJECTS AND ENERGY CONSERVATION  
15 PROJECTS IN STATE BUILDINGS; REQUIRING PAYMENT OF ENERGY COST SAVINGS TO A SPECIAL REVENUE ACCOUNT; PROHIBITING  
16 TELECOMMUNICATIONS AND INFORMATION SERVICES COMPETITION; AMENDING SECTION 2, CHAPTER 560, LAWS OF 2005; REPEALING  
17 SECTION 8, CHAPTER 560, LAWS OF 2005; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."  
18  
19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
20

21 NEW SECTION. Section 1. Definitions. For the purposes of [sections 1 through 19], unless otherwise stated, the following definitions apply:

*Legislative  
Services  
Division*

1 (1) "Authority only" means approval provided by the legislature to expend money that does not require an appropriation, including grants,  
 2 donations, auxiliary funds, proprietary funds, and university funds.

3 (2) "Capital project" means the acquisition of land or improvements or the planning, capital construction, renovation, furnishing, or major repair  
 4 projects authorized in [sections 1 through 19].

5 (3) "Chief information officer" has the meaning provided in 2-17-506.

6 (4) "Information technology" has the meaning provided in 2-17-506.

7 (5) "Information technology capital project" means a group of interrelated information technology activities that are planned and executed in a  
 8 structured sequence to create a unique product or service.

9 (6) "LRBP" means the long-range building program account in the capital projects fund type.

10 (7) "LRITP" means the long-range information technology program account in the capital projects fund type.

11 (8) "Other funding sources" means money other than LRBP money, including special revenue fund money, that accrues to an agency under the  
 12 provisions of law.

13

14 NEW SECTION. **Section 2. Capital project appropriations and authorizations.** The following money is appropriated for the indicated capital  
 15 projects from the indicated sources to the department of administration. Funds not requiring legislative appropriation are included for the purpose of  
 16 authorization. The department of administration is authorized to transfer the appropriations and authority among the necessary fund types for these  
 17 projects:

18 Agency/Project	LRBP	State	Federal	Other	Authority	Total
19 Fund	Special	Special	Funding	Only		
20 Revenue	Revenue	Revenue	Sources			

21 MONTANA SCHOOL FOR THE DEAF AND BLIND

1	Replace Boiler	600,000		600,000
2	Cottage Improvement		372,000	372,000
3	Authority only funds consist of federal special revenue, donations, and grants.			
4	DEPARTMENT OF ADMINISTRATION			
5	Roof Repairs and Replacements, Statewide	3,000,000	392,160	68,040
6	Code/Deferred Maintenance Projects, Statewide	2,300,000		3,460,200
7	Hazardous Materials Abatement, Statewide	500,000		2,300,000
8	Code/Deferred Maintenance Projects, Capitol Complex		550,000	500,000
9	Authority only funds consist of general services division internal service funds.			550,000
10	Upgrade Fire Protection Systems, Statewide	500,000		500,000
11	Fire Protection Measures, Capitol Complex		500,000	500,000
12	Authority only funds consist of general services division internal service funds.			
13	Upgrade State Environmental Laboratory, Helena	1,000,000	1,000,000	2,000,000
14	Repair/Preserve Building Envelopes, Statewide	1,500,000		1,500,000
15	Campus Infrastructure Projects, Statewide	1,000,000		1,000,000
16	Mechanical System Improvements, Capitol Complex		1,900,000	1,900,000
17	Authority only funds consist of general services division internal service funds.			
18	Deferred Maintenance, Phase 2,			500,000
19	MT Law Enforcement Academy	500,000		3,750,000
20	New Classroom Building, MT Law Enforcement Academy	3,750,000		14,500,000
21	Enterprise System Services Centers	10,500,000	4,000,000	

1	Other funds consist of capitol land grant funds.			
2	Campus Master Planning, Statewide	400,000	250,000	650,000
3	Authority only funds consist of general services division internal service funds.			
4	Challenge Grant for Super Computer, UM-MT Tech	259,000	7,000,000	7,259,000
5	Authority only funds may include federal special revenue, donations, grants, and higher education funds.			
6	DEPARTMENT OF CORRECTIONS			
7	Housing Unit Upgrades, MT State Prison	1,200,000		1,200,000
8	Expand Work Dorm, MT State Prison	2,500,000		2,500,000
9	Expand Food Service Capacity, MT State Prison	1,637,000	293,000	1,930,000
10	Authority only funds consist of proprietary funds.			
11	DEPARTMENT OF FISH, WILDLIFE, AND PARKS			
12	Hatchery Maintenance		500,000	500,000
13	Administrative Facilities Repair and Maintenance		800,000	800,000
14	DEPARTMENT OF MILITARY AFFAIRS			
15	Readiness Center, Miles City	2,480,000	7,510,970	9,990,970
16	Armed Forces Reserve Center, Missoula		30,903,968	30,903,968
17	Construct Female Showers and Latrines	290,000	290,000	580,000
18	Montana State Veterans' Cemetery Expansion		1,206,000	1,206,000
19	Disaster and Emergency Services Mobile Command Post	172,500		172,500
20	MONTANA UNIVERSITIES AND COLLEGES			
21	Code Compliance/Deferred Maintenance,			

1	MT University System	3,600,000		3,600,000
2	Systems Improvements, MT-Tech College of Technology	925,000		925,000
3	Steam Distribution System Upgrades, Phase 2,			
4	UM-Missoula	2,000,000	1,000,000	3,000,000
5	Authority only funds consist of auxiliary funds.			
6	Renovate Clapp Building, UM-Missoula	821,000		821,000
7	Renovate Armory Gym, MSU-Northern	400,000	3,250,000	3,650,000
8	Authority only funds consist of auxiliary funds.			
9	Renovate Main Hall, UM-Western	4,500,000		4,500,000
10	Renovate McMullen Hall, MSU-Billings	1,924,500		1,924,500
11	Stabilize Masonry, MSU-Bozeman	2,600,000		2,600,000
12	Classroom/Laboratory Upgrades, MT University System	2,000,000		2,000,000
13	Utility Infrastructure Improvements, MSU-Bozeman	500,000	50,000	550,000
14	Authority only funds consist of auxiliary funds.			
15	Supplement UM-Helena College of Technology Expansion	4,500,000	135,000	4,635,000
16	Authority only funds consist of auxiliary funds.			
17	Supplement Great Falls College of Technology Addition	3,000,000		3,000,000
18	Supplement Billings College of Technology Expansion	2,217,000		2,217,000
19	Auto Tech Center Design, MSU-Northern	800,000		800,000
20	Renovate Gaines Hall, MSU-Bozeman	28,500,000		28,500,000
21	Law School Addition, UM-Missoula	4,200,000	5,050,000	9,250,000

1	Authority only funds may include federal special revenue, donations, grants, and higher education funds.		
2	Augment Petroleum, Bureau of Mines and Geology,		
3	UM-MT Tech	5,200,000	5,200,000
4	School of Journalism Building, UM-Missoula	500,000	500,000
5	Increase Authority, Museum of the Rockies, MSU-Bozeman	3,500,000	3,500,000
6	Authority only funds may include federal special revenue, donations, grants, and higher education funds.		
7	School of Education Building, UM-Missoula	7,500,000	7,500,000
8	Authority only funds may include federal special revenue, donations, grants, and higher education funds.		
9	New Parking Structure, UM-Missoula	5,000,000	5,000,000
10	Authority only funds may include federal special revenue, auxiliary, donations, grants, and higher education funds.		
11	Montana Agricultural Extension Services		
12	Research Centers and Farms	2,602,800	650,700 3,253,500
13	Authority is granted to Montana state university in the indicated amounts for the purpose of making capital improvements to the designated facilities.		
14	Authority only funds may include any type of nonstate funding. Every \$4 appropriated for Research Centers and Farms must be matched by \$1		
15	of local funding.		
16	Animal Bioscience Facility, MSU-Bozeman	3,570,000	3,570,000
17	DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES		
18	Receiv. Hospital Renovat.,		
19	MT State Hospital, Warm Springs	5,800,000	5,800,000
20	Renovate/Improve Support Services, MT State Hospital	4,500,000	4,500,000
21	MT Mental Health Nursing Care Center Improvements,		

1	Lewistown	750,000		750,000
2	Montana Veterans' Home Improvements		1,413,000	1,413,000
3	Improve Campus, MT State Hospital, Warm Springs	1,280,000		1,280,000
4	DEPARTMENT OF TRANSPORTATION			
5	Equipment Storage Buildings, Statewide		2,700,000	2,700,000
6	DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION			
7	Code/Deferred Maintenance and Small Projects,	750,000		750,000
8	DNRC Unit Campuses, Statewide			
9	Co-locate DNRC/DEQ, Kalispell	3,500,000		3,500,000
10	Consolidate DNRC Divisions, Missoula	2,000,000		2,000,000
11	Building Addition, Billings Oil and Gas Office		750,000	750,000
12	DEPARTMENT OF JUSTICE			
13	Purchase Forensic Science Lab Building	7,250,000		7,250,000
14				
15	<u>NEWSECTION. Section 3. Fund transfers.</u> (1) Subject to subsection (4), there is transferred from the state general fund \$61,609,342 in fiscal			
16	year 2008 and \$61,609,342 in fiscal year 2009 to the long-range building program account in the capital projects fund type for the projects enumerated			
17	in [section 2].			
18	(2) Subject to subsection (4), there is transferred from the state general fund \$7.5 million in fiscal year 2008 and \$7.5 million in fiscal year 2009			
19	to the fish, wildlife, and parks capital projects account in the capital projects fund type for the projects enumerated in [section 5].			
20	(3) Subject to subsection (4), the following amounts are transferred from the state general fund to the LRITP in the capital projects fund type:			
21	(a) \$11,653,900 for fiscal year 2008; and			



1 (b) \$31,732,100 for fiscal year 2009.

2 (4) In order to maintain an adequate ending fund balance, if at any time during the 2009 biennium the office of budget and program planning  
3 projects a 2009 biennium unreserved ending general fund balance of less than \$100 million, the office of budget and program planning may direct the  
4 department of administration to reduce the fund transfers in subsections (1) through (3). The department of administration shall transfer the funds on a  
5 schedule approved by the office of budget and program planning that enables the statewide management goals for cash flow and for fund balance. On  
6 occasions when reductions in transfers appear imminent, the office of budget and program planning may notify the legislative finance committee and seek  
7 input from the committee into the reduction plan. If the projected unreserved general fund ending fund balance increases at a later point in the biennium,  
8 the fund transfers may be increased back up to the original authorized level. The office of budget and program planning may not direct fund transfers to  
9 be reduced below the level of encumbrance obligations made against the appropriation at the time of the reduction.

10 (5) There is transferred from the general fund to the LRTIP \$2,909,470 in fiscal year 2008 to be used for the projects in [section 16].

11

12 NEW SECTION. **Section 4. Capital improvements.** (1) The following money is appropriated to the department of fish, wildlife, and parks in  
13 the indicated amounts for the purpose of making capital improvements to statewide facilities. Funds not requiring legislative appropriation are included  
14 for the purpose of authorization:

15	Agency/Project	LRRP	State	Federal	Other	Authority	Total
16		Fund	Special	Special	Funding	Only	
17		Revenue	Revenue		Sources		
18	Future Fisheries		1,314,000				1,314,000
19	Fishing Access Site Maintenance		350,000				350,000
20	Fishing Access Site Protection		800,000				800,000
21	Community Fishing Ponds		50,000				50,000

1	Upland Game Bird Program					1,258,000	1,258,000
2	Wildlife Habitat Maintenance					1,200,000	1,200,000
3	Migratory Bird Stamp Program					360,000	360,000
4	Bighorn Sheep					250,000	250,000
5	Parks Program	500,000	4,950,000	2,300,000		7,750,000	
6	Grant Programs/Federal Projects		320,000	2,800,000		3,120,000	
7	(2) Authority is granted to the university of Montana in the indicated amount for the purpose of making capital improvements to campus facilities.						
8	Authority only funds may include federal special revenue, donations, grants, and higher education funds. All costs for the operations and maintenance of						
9	any new improvements constructed under this authorization must be paid by the university of Montana with nonstate revenue.						
10	Agency/Project	LRBP	State	Federal	Other	Authority	Total
11		Fund	Special	Special	Funding	Only	
12		Revenue	Revenue	Sources			
13	General Spending Authority, UM-All Campuses					4,000,000	4,000,000
14	(3) Authority is granted to Montana state university in the indicated amount for the purpose of making capital improvements to campus facilities.						
15	Authority only funds may include federal special revenue, donations, grants, and higher education funds. All costs for the operations and maintenance of						
16	any new improvements constructed under this authorization must be paid by Montana state university with nonstate revenue.						
17	Agency/Project	LRBP	State	Federal	Other	Authority	Total
18		Fund	Special	Special	Funding	Only	
19		Revenue	Revenue	Sources			
20	General Spending Authority, MSU-All Campuses					5,000,000	5,000,000
21	(4) The following money is appropriated to the department of military affairs in the indicated amount for the purpose of making capital improvements						

1 to statewide facilities. All costs for the operation and maintenance of any new improvements constructed with these funds must be paid by the department  
 2 of military affairs with nonstate revenue.

3 Agency/Project LRBP State Federal Other Authority Total

4 Fund Special Special Funding Only

5 Revenue Revenue Sources

6 Federal Spending Authority 2,000,000 2,000,000

7 (5) The following money is appropriated to the department of transportation in the indicated amounts for the purpose of making capital  
 8 improvements as indicated:

9 Agency/Project LRBP State Federal Other Authority Total

10 Fund Special Special Funding Only

11 Revenue Revenue Sources

12 Statewide Maintenance Repair and Small Projects 1,050,000 1,050,000

13 US Highway 93 Projects 26,000,000 26,000,000

14 (6) The following money is appropriated to the department of commerce, Montana heritage preservation and development commission, in the  
 15 indicated amount for the purpose of making capital improvements to facilities located in Virginia City and Nevada City:

16 Agency/Project LRBP State Federal Other Authority Total

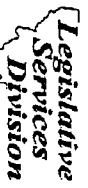
17 Fund Special Special Funding Only

18 Revenue Revenue Sources

19 Historic Preservation and Supporting Improvements, Virginia and Nevada Cities

20 2,000,000 2,000,000

21



1 NEW SECTION. Section 5. Land acquisition appropriations. The following money is appropriated to the department of fish, wildlife, and parks

2 in the indicated amounts for purposes of land acquisition, land leasing, easement purchase, or development agreement.

3 Agency/Project LRBP State Federal Other Authority Total

4 Fund Special Special Special Funding Only

5 Revenue Revenue Revenue Sources

6 Fishing Access Site Acquisition 460,000 100,000 560,000

7 Habitat Montana 6,180,000 6,180,000

8 Access Montana 15,000,000 15,000,000

9 Other funds consist of fish, wildlife, and parks capital projects funds.

10 The department of fish, wildlife, and parks shall give highest priority consideration to the acquisition of the Culbertson overlook and the south half

11 of Brush Lake in the access Montana initiative.

12

13 NEW SECTION. Section 6. Dams. (1) The following money is appropriated to the department of fish, wildlife, and parks in the indicated amount

14 for department dams:

15 Agency/Project LRBP State Federal Other Authority Total

16 Fund Special Special Special Funding Only

17 Revenue Revenue Revenue Sources

18 FWP Dams Repair 100,000 100,000

19 (2) In accordance with 85-1-101, the department of natural resources and conservation shall coordinate and manage the projects.

20

21 NEW SECTION. Section 7. Bridges. The following money is appropriated to the department of natural resources and conservation in the

1 indicated amount for department bridge projects:

2 Agency/Project	LRBP	State	Federal	Other	Authority	Total
3	Fund	Special	Special	Funding	Only	
4		Revenue	Revenue	Sources		
5 Bridge Replacement/Repair		750,000				750,000

6

7 NEW SECTION. Section 8. Transfer of appropriations. The department of fish, wildlife, and parks and the department of transportation are

8 authorized to transfer the appropriations and authority in [sections 4 through 6] among the necessary fund types for these projects.

9

10 NEW SECTION. Section 9. Capital land grant revenue. The appropriation of \$4 million in capitol land grant revenue to the department of

11 administration for the enterprise system services centers is the last priority for the use of these funds during the 2009 biennium and is dependent upon

12 the availability of revenue. If necessary, the department of administration, architecture and engineering division, shall reduce the project in scope or phase

13 as capitol land grant revenue becomes available.

14

15 NEW SECTION. Section 10. Planning and design. The department of administration may proceed with the planning and design of capital

16 projects prior to the receipt of other funding sources. The department may use interentity loans in accordance with 17-2-107 to pay planning and design

17 costs incurred before the receipt of other funding sources.

18

19 NEW SECTION. Section 11. Capital projects -- contingent funds. If a capital project is financed, in whole or in part, with appropriations

20 contingent upon the receipt of other funding sources, the department of administration may not let the project for bid until the agency has submitted a

21 financial plan for approval by the director of the department of administration. A financial plan may not be approved by the director if:

1 (1) the level of funding provided under the financial plan deviates substantially from the funding level provided in [sections 2 through 7] for that  
2 project; or

3 (2) the scope of the project is substantially altered or revised from the preliminary plans presented for that project in the 2009 biennium long-range  
4 building program presented to the 60th legislature.

5  
6 NEW SECTION. Section 12. Review by department of environmental quality. The department of environmental quality shall review capital  
7 projects authorized in [sections 2 through 7] for potential inclusion in the state building energy conservation program under Title 90, chapter 4, part 6. When  
8 a review shows that a capital project will result in energy improvements, that project must be submitted to the energy conservation program for funding  
9 consideration. Funding provided under the energy conservation program guidelines must be used to offset or add to the authorized funding for the project,  
10 and the amount will be dependent on the annual utility savings resulting from the facility improvement. Agencies must be notified of potential funding after  
11 the review.

12  
13 NEW SECTION. Section 13. Sale of Missoula armory. (1) All proceeds derived from the sale of the national guard armory located in Missoula  
14 must be deposited in the general fund. Up to \$3.5 million of those proceeds is appropriated to the department of military affairs to pay the costs associated  
15 with the sale of the armory, to lease or otherwise provide replacement space for soldiers until a new facility is complete, and for the purchase of land for  
16 the new Missoula armed forces reserve center.

17 (2) If the department of military affairs is able to obtain 100% federal funding for the new readiness center at Miles City in [section 2], the federal  
18 special revenue fund appropriation for that project is increased by up to \$14 million and the LRBP fund appropriation is reduced by up to \$2.48 million.  
19 Of the LRBP funds released from this project as a result of the additional federal funds, \$80,000 is appropriated to the department of military affairs for  
20 facility improvements at the Montana military museum and \$2.4 million must be transferred to the state general fund.

21

1 **NEW SECTION. Section 14. Information technology appropriations and authorizations.** (1) All business application systems funded under

2 this section must have a plan approved by the chief information officer for the design, definition, creation, storage, and security of the data associated with  
3 the application system. The security aspects of the plan must address but are not limited to authentication and granting of system privileges, safeguards  
4 against unauthorized access to or disclosure of sensitive information, and, consistent with state records retention policies, plans for the removal of sensitive  
5 data from the system when it is no longer needed. It is the intent of this subsection that specific consideration be given to the potential sharing of data with  
6 other state agencies in the design, definition, creation, storage, and security of the data.

7 (2) Funds may not be released for the project until the chief information officer and budget director approve the plans described in subsection (1).

8 (3) The following money is appropriated to the department of administration for the indicated information technology capital projects:

9 Agency/Project	LRITP	Federal Special Revenue	Total
10 DEPARTMENT OF ADMINISTRATION			
11 Network Upgrades Expansion	5,077,000		5,077,000
12 Public Safety Radio Consortium	4,595,000		4,595,000
13 Public Safety Radio Interoperability	3,500,000		3,500,000
14 DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES			
15 TANF Eligibility System	7,625,000	8,600,000	16,225,000
16 CHIMES System (Completion)	550,000	550,000	1,100,000
17 Food Stamps System	6,535,000	6,535,000	13,070,000
18 Child and Adult Protective Services (CAPS) System	15,204,000	11,946,000	27,150,000
19 ICD 10 (Medicaid Disease Codes)	300,000	2,700,000	3,000,000
20 (4) There is appropriated to the department of administration \$3.151 million from the state general fund in the 2009 biennium for the operating			
21 costs associated with the network upgrades expansion and the public safety radio consortium projects listed in subsection (3). If this appropriation is not			

1 fully expended for operating costs, then the remaining amount of the appropriation may be used to complete the network upgrades expansion and public  
2 safety radio consortium projects in subsection (3).

3  
4 **NEW SECTION. Section 15. Restrictions on information technology appropriations.** The network upgrades expansion appropriation is  
5 restricted by the following conditions:

6 (1) All expenditures of the network upgrades expansion appropriation for the statewide telecommunications network, as defined in 2-17-506, must  
7 be in accordance with the provisions of Title 18, chapter 4.

8 (2) A request for information must be issued to assist in determining the most cost-effective and scalable network that meets the state and  
9 university needs.

10 (3) The statewide telecommunications network is limited to use by state government agencies, political subdivisions, and other participating entities  
11 to support their program, education, and research needs as provided in 2-17-512. All entities that are permitted to use the statewide telecommunications  
12 network must be qualified under terms and conditions established by the department of administration in accordance with Title 2, chapter 17.

13 (4) On behalf of the Montana university system, the department of administration may enter into agreements with educational or research  
14 institutions in other states to use the capacity of the statewide telecommunications network to meet their mutual needs for research and education.

15 (5) Except as provided in subsections (3) and (4), the statewide telecommunications network may not be used to provide statewide  
16 telecommunications network services to any entity not authorized in subsection (3) for the purpose of using any excess capacity that may be available.

17  
18 **NEW SECTION. Section 16. Judicial branch information technology capital projects appropriation.** (1) There is appropriated to the supreme  
19 court \$2,909,470 from the LRITP for case management improvements and courtroom technology improvements in the judicial branch.

20 (2) Before encumbering any funds appropriated in subsection (1), the office of court administrator shall submit a project and security plan, as  
21 described in [section 14(1)], to the chief information officer. The chief information officer shall promptly review the plan and, if necessary, make timely



1 recommendations to the office of court administrator regarding implementation of the plan.

2 (3) As part of the annual report to the law and justice interim committee and house appropriations subcommittee required under 3-1-702, the office  
3 of court administrator shall include an update on the implementation of projects funded under this section.

4 (4) There is appropriated to the judicial branch \$1,025,530 from the state general fund in the 2009 biennium for operating costs associated with  
5 the judicial branch information technology project in subsection (1). If this appropriation is not fully expended for operating costs, then the remaining amount  
6 of the appropriation may be used to complete the judicial branch project in subsection (1).

7  
8 NEW SECTION. Section 17. Legislative consent. The appropriations authorized in [sections 1 through 13] constitute legislative consent for  
9 the capital projects contained in [sections 1 through 13] within the meaning of 18-2-102.

10  
11 NEW SECTION. Section 18. Reappropriation of long-range information technology capital project funds. The remaining balances for  
12 long-range information technology capital projects previously approved by the legislature and identified as long-range information technology capital  
13 projects in an appropriation act are reappropriated for the purposes of the original appropriation until the projects are completed.

14  
15 NEW SECTION. Section 19. Approval required. Amounts appropriated by the legislature to executive branch agencies, other than the university  
16 system, for long-range information technology capital projects may not be encumbered until project and security plans are approved by the chief information  
17 officer and the budget director if the legislature directs these approvals as a condition on the appropriations in the bill making the appropriations.

18  
19 **Section 20.** Section 2, Chapter 560, Laws of 2005, is amended to read:

20 **"Section 2. Capital projects appropriations and authorizations.** (1) Subject to [section 9(2)], the following money is appropriated for the  
21 indicated capital projects from the indicated sources to the department of administration. Funds not requiring legislative appropriation are included for the

1 purpose of authorization. The department of administration is authorized to transfer either or both the appropriations and authority among the necessary  
2 fund types for these projects:

3 Agency/Project

LRBP

Other Funding Sources

4 MONTANA SCHOOL FOR THE DEAF AND BLIND

5 Facility Improvements, Montana School

6 for the Deaf and Blind

\$398,000

7 DEPARTMENT OF ADMINISTRATION

8 Roof Repair and Replacement, Statewide

3,076,242

\$206,500 Federal Special Revenue

9 Repair/Preserve Building Exteriors, Statewide

497,500

10 Window Repairs and Replacement, Statewide

1,268,625

11 Deferred Maintenance, Montana Law

12 Enforcement Academy

761,175

13 Hazardous Materials Abatement, Statewide

497,500

14 Code/Deferred Maintenance Projects, Statewide

1,255,989

90,000 Federal Special Revenue

15 Repair Deteriorated Campus Infrastructure,

16 Statewide

547,250

17 Major Maintenance and Repairs to State Capitol

497,500

18 Upgrade Fire Alarm Systems, Statewide

398,000

19 Repair Elevators, Capitol Complex

796,000

20 Upgrade 1100 North Last Chance Gulch

1,201,960

21 DPHHS Commodity Warehouse

1	Expansion, Helena	2,000,000	Federal Special Revenue
2	Public Restrooms, Virginia City and Nevada City	99,450	
3	Public Safety Learning Center,		
4	Montana Law Enforcement Academy	3,450,000	Federal Special Revenue
5	Long-range Building Program Funding Interim Project	8,000	
6	<del>Capitol Annex or Alternatives Feasibility Study</del>	<del>500,000</del>	<del>Capitol Land Grant Funds</del>
7	MONTANA HISTORICAL SOCIETY		
8	Montana Historical Society Building, Helena	30,000,000	Donations and Grants
9	Authority is granted to the department of administration in the indicated amount for the construction of a new historical society building.		
10	DEPARTMENT OF CORRECTIONS		
11	Improve Water System, Montana State Prison	124,375	
12	Improve High-Side Kitchen Ventilation,		
13	Montana State Prison	116,714	
14	Improve Perimeter Security, Montana State Prison	1,393,000	
15	DEPARTMENT OF FISH, WILDLIFE, AND PARKS		
16	Hatchery Maintenance, Statewide		
17		575,000	State Special Revenue
18	Rose Creek Hatchery	575,000	Federal Special Revenue
19	Fort Peck Storage/Office Space	1,700,000	State Special Revenue
20		50,000	State Special Revenue
21	Administrative Facilities Repair, Maintenance	150,000	Federal Special Revenue

1	and Improvements	800,000	State Special Revenue
2	DEPARTMENT OF MILITARY AFFAIRS		
3	Federal Spending Authority	2,100,000	Federal Special Revenue
4	Western Montana Veterans' Cemetery, Missoula	3,200,000	Federal Special Revenue
5	Montana State Veterans' Cemetery Columbarium, Fort Harrison	500,000	Federal Special Revenue
6			
7	MONTANA UNIVERSITIES AND COLLEGES		
8	ADA/Code/Deferred Maintenance Projects,		
9	Montana University System	1,393,000	
10	Upgrade Steam Distribution System,		
11	UM-Missoula	5,905,325	Auxiliary Funds
12	Upgrade HVAC Systems, Pershing and		
13	Brockman Halls, MSU-Northern	521,380	
14	Heating System Improvements, Academic		
15	Center and McMullen Halls, MSU-Billings	243,775	
16	Mining and Geology Building Mechanical System		
17	Renovation, UM-Butte	915,400	
18	Upgrade Health Sciences HVAC System,		
19	Phase 2, UM-Missoula	965,150	
20	Renovate Domestic Water Distribution System,		
21	UM-Dillon	182,185	

1	Classroom/Laboratory Upgrades, Montana		
2	University System	995,000	
3	Facility Repairs and Improvements, MSU-Billings	542,275	
4	Heating Plant Phase 3, MSU-Bozeman	945,250	
5	Renovate HVAC Systems, Science Complex		
6	3rd and 4th Floors, UM-Missoula	606,950	
7	Water/Sewer System Repairs and Maintenance,		
8	MSU-Bozeman	248,750	250,000 Auxiliary Funds
9	Upgrade Primary Electrical Distribution,		
10	MSU-Bozeman	746,250	750,000 Auxiliary Funds
11	Facility Repairs and Improvements,		
12	MSU-Agricultural Experiment Stations	477,600	
13	MSU-Agricultural Experiment Station Projects	646,750	
14	Campus Improvements, MSU-Northern	636,800	300,000 Auxiliary Funds
15	New Construction, Consolidate Campus,		
16	UM-Missoula College of Technology		24,500,000 Federal Special Revenue,
17			Donations, Grants, and
18			Higher Education Funds
19	Authority is granted to the department of administration in the indicated amount for the purpose of constructing a new university of		
20	Montana-Missoula college of technology.		
21	Native American Study Center, UM-Missoula		2,500,000 Federal Special Revenue,

- 1 Donations, Grants, and  
2 Higher Education Funds
- 3 Authority is granted to the department of administration in the indicated amount for the purpose of constructing the Native American center. This  
4 authority augments \$3,500,000 of existing authority for this capital improvement.  
5 New Gallery Space, UM-Missoula  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21
- Authority is granted to the department of administration in the indicated amount for the purpose of constructing the new forestry complex.
- Authority is granted to the department of administration in the indicated amount for the purpose of constructing the MBMG/petroleum building.
- Research Lab Facility, UM-Missoula
- 3,000,000 Federal Special Revenue,  
Donations, Grants, and  
Higher Education Funds
- 6,000,000 Federal Special Revenue,  
Donations, Grants, and  
Higher Education Funds
- 20,000,000 Federal Special Revenue,  
Donations, Grants, and  
Higher Education Funds
- 5,400,000 Federal Special Revenue,  
Donations, Grants, and  
Higher Education Funds
- Authority is granted to the department of administration in the indicated amount for the purpose of constructing the research lab facility. Any  
increase in costs for the operations and maintenance of the research lab facility must be paid by the university of Montana with nonstate revenue.

- |    |  |            |                          |
|----|--|------------|--------------------------|
| 1  | Law Building ADA Improvements/   |            |                          |
| 2  | Renovation/Expansion, UM-Missoula  | 500,000    |                          |
| 3  | This state money augments \$5,000,000 of existing authority for this project.  |            |                          |
| 4  | School of Journalism Building, UM-Missoula   | 500,000    |                          |
| 5  | This state money augments \$12,000,000 of existing authority for this project.   |            |                          |
| 6  | VisComm Black Box Theater,   |            |                          |
| 7  | MSU-Bozeman  | 2,750,000  | Federal Special Revenue, |
| 8  |  |            | Donations, Grants, and   |
| 9  |  |            | Higher Education Funds   |
| 10 | Authority is granted to the department of administration in the indicated amount for the purpose of constructing the new viscomm black box theater.  |            |                          |
| 11 | Animal Bioscience Building, MSU-Bozeman  | 7,500,000  | Federal Special Revenue, |
| 12 |  |            | Donations, Grants, and   |
| 13 |  |            | Higher Education Funds   |
| 14 | Authority is granted to the department of administration in the indicated amount for the purpose of constructing the new animal bioscience building. |            |                          |
| 15 | This authority augments \$5,000,000 of existing authority for this capital improvement.  |            |                          |
| 16 | Museum of the Rockies, MSU-Bozeman   | 12,000,000 | Federal Special Revenue, |
| 17 |  |            | Donations, Grants, and   |
| 18 |  |            | Higher Education Funds   |
| 19 | Authority is granted to the department of administration in the indicated amount for the purpose of constructing improvements to the museum of       |            |                          |
| 20 | the rockies.   |            |                          |
| 21 | Native American Student Center, MSU-Bozeman  | 8,000,000  | Federal Special Revenue, |

Donations, Grants, and  
Higher Education Funds

1			
2			
3	Authority is granted to the department of administration in the indicated amount for the purpose of constructing the new Native American student		
4	center.		
5	DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES		
6	Facility Improvements, Montana		
7	State Hospital, Warm Springs	592,523	
8	Facility Improvements, Montana		
9	Developmental Center, Boulder	218,044	
10	Demolish Abandoned Buildings,		
11	Public Health and Human Services	1,741,250	
12	Stabilize Old Administration Building, Montana		
13	Developmental Center, Boulder	179,100	
14	Housing for High-Risk Behaviors	2,529,290	
15	Special Care Unit Renovations,		
16	Eastern Montana Veterans' Home, Glendive	475,000	State Special Revenue
17	Facility Renovation and Improvements,		
18	Montana Veterans' Home, Columbia Falls	465,000	State Special Revenue
19	Construct Chapel, Montana State Hospital,		
20	Warm Springs	350,000	Donations and Grants
21	Authority is granted to the department of administration in the indicated amount for the purpose of constructing the chapel at the Montana state		



- 1 hospital in Warm Springs.
- 2 DEPARTMENT OF TRANSPORTATION
- 3 Equipment Storage Buildings, Statewide 635,000 State Special Revenue
- 4 Chiller/Cooling Towers Replacement,
- 5 Helena Headquarters 350,000 State Special Revenue
- 6 Office Addition, Billings 500,000 State Special Revenue
- 7 DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
- 8 Replace Clearwater Unit Fire Cache 248,750
- 9 OFFICE OF THE GOVERNOR
- 10 Historic and Cultural Properties Interim Study 20,000
- 11 (2) (a) For the purpose of constructing a privately funded chapel at the Montana state hospital in Warm Springs, the department of administration
- 12 may waive, in whole or in part, the requirements pertaining to:
- 13 (i) bidding and bonding for state building projects in Title 18;
- 14 (ii) labor requirements in Title 18; and
- 15 (iii) contractor registration in Title 39.
- 16 (b) The waiver pursuant to subsection (2)(a) may be exercised in the following circumstances:
- 17 (i) to obtain the volunteer services and donated materials from members of the public, civic organizations, and other entities;
- 18 (ii) to obtain the compensated services of contractors who are donating significant amounts of labor, time, and materials; and
- 19 (iii) to meet the terms and conditions for receipt of major sums of money from private or public funding sources, including individual donations.
- 20 (3) (a) For the purpose of selling the Jocko fish hatchery to the Confederated Salish and Kootenai tribes and in exchange for constructing and
- 21 improving the fish hatchery at the Rose Creek hatchery, the department of fish, wildlife, and parks may waive, in whole or in part, the requirements

1 pertaining to:

2 (i) public bids for land disposal in 87-1-209(3); and  
3 (ii) the real property trust fund in 87-1-601.

4 (b) The waiver pursuant to subsection (3)(a) may be exercised only under the circumstances described in subsection (3)(a). The waiver does not  
5 affect the department's requirement to obtain full market value pursuant to Article X, section 11, of the Montana constitution."

6  
7 NEW SECTION. Section 21. Appropriation. There is appropriated from the state general fund to the department of environmental quality for  
8 the 2009 biennium \$3 million to be used to fund the costs of acquiring, constructing, and installing energy saving equipment, systems, and improvements  
9 in existing state buildings, structures, and facilities by the energy conservation program. The funds may be used only to fund projects for which the  
10 department of environmental quality determines that energy cost savings from the project will equal or exceed the costs of the project, including the costs  
11 of the investment-grade energy audit on and design of the project, within 15 years after installation or construction.

12  
13 NEW SECTION. Section 22. Energy conservation repayment account. (1) There is an energy conservation repayment account in the state  
14 special revenue fund established in 17-2-102.

15 (2) There must be deposited in the energy conservation repayment account:

16 (a) the amount of energy costs saved as a result of the acquisition, installation, and construction of energy saving equipment, systems, or  
17 improvements in state buildings, facilities, or structures using general fund appropriations to the energy conservation program until total payments to the  
18 account for a project equal the cost of the project, including the cost of the investment grade energy audit on the project and the design of the project; and  
19 (b) interest earned on the account.

20 (3) Money in the energy conservation repayment account is available to the department of environmental quality by appropriation to fund the costs  
21 of the energy conservation program.

1  
2       NEW SECTION. Section 23. Repealer. Section 8, Chapter 560, Laws of 2005, is repealed.  
3

4       NEW SECTION. Section 24. Codification instruction. (1) [Sections 18 and 19] are intended to be codified as an integral part of Title 2, chapter  
5   17, part 5, and the provisions of Title 2, chapter 17, part 5, apply to [sections 18 and 19].

6       (2) [Section 22] is intended to be codified as an integral part of Title 90, chapter 4, part 6, and the provisions of Title 90, chapter 4, part 6, apply  
7   to [section 22].  
8

9       NEW SECTION. Section 25. Severability. If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect.  
10   If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid  
11   applications.  
12

13       NEW SECTION. Section 26. Effective date. [This act] is effective on passage and approval.  
14

- END -